

BRAE
CORPORATION

RECORDATION NO. 9838 Filed 1425

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INTERSTATE COMMERCE COMMISSION

H. G. Homme, Jr.
Acting Secretary
Interstate Commerce Commission
Washington, D. C. 20423

Dear Sir:

Enclosed for filing and recordation pursuant to Section 20c of the Interstate Commerce Act are the following documents relating to the railroad equipment described and marked in accordance with Schedule I attached hereto:

(1) Equipment Lease Agreement dated as of October 1, 1978 between First Maryland Leasecorp. and BraeLease Corporation;

(2) Lease Agreement dated as of March 1, 1978 between BRAE Corporation and Oregon & Northwestern Railroad Co., including Riders No. I, II, III, and IV and Schedules No. 1 and 2 thereto (the "ONW Lease"); and Assignment of Lease and Agreement dated as of October 1, 1978, between BraeLease Corporation and First Maryland Leasecorp relating to the ONW Lease;

(3) Assignment of Lease and Agreement dated as of October 1, 1978 between BraeLease Corporation and First Maryland Leasecorp, relating to the Lease Agreement dated as of February 23, 1978, as amended by Amendment No. 1 dated as of April 28, 1978 (the "ADN Lease"), between BRAE Corporation and Ashley, Drew & Northern Railway Company, which was filed on October 11, 1978 under Recordation Nos. 9753-B and 9753-C;

(4) Assignment of Purchase Agreement dated as of October 1, 1978 between BraeLease Corporation and First Maryland Leasecorp; and Consent to Assignment dated as of October 1, 1978 by PACCAR, Inc; and

(5) Assignment of Purchase Agreement dated as of October 1, 1978 between BraeLease Corporation and First Maryland Leasecorp; Consent to Assignment dated as of October 1, 1978 by Fruit Growers Express Company;

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The names and addresses of the parties to the documents listed above are as follows:

(1) Equipment Lease Agreement

- (a) Lessor: First Maryland Leasecorp
P.O. Box 1596
25 South Charles Street
Baltimore, Maryland 21203
- (b) Lessee: BraeLease Corporation
Three Embarcadero Center
San Francisco, CA 94111

(2) ONW Lease; Assignment of Lease and Agreement

- (a) Lessor-
Assignor: BraeLease Corporation
Three Embarcadero Center
San Francisco, CA 94111
- (b) Assignee: First Maryland Leasecorp
P.O. Box 1596
25 South Charles Street
Baltimore, Maryland 21203
- (c) Lessee: Oregon & Northwestern
Railroad Co.
c/o Edward Hines
Lumber Company
200 South Michigan Avenue
Chicago, Illinois 60604

(3) ADN Lease; Assignment of Lease and Agreement

- (a) Lessor-
Assignor: BraeLease Corporation
Three Embarcadero Center
San Francisco, CA 94111
- (b) Assignee: First Maryland Leasecorp
P.O. Box 1596
25 South Charles Street
Baltimore, Maryland 21203

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(c) Lessee: Ashley, Drew & Northern
Railway Company
P.O. Box 757
Crossett, Arkansas 71635

(4) Assignment of Purchase Agreement

(a) Assignor: BraeLease Corporation
Three Embarcadero Center
San Francisco, CA 94111

(b) Purchaser-
Assignee: First Maryland Leasecorp
P.O. Box 1596
25 South Charles Street
Baltimore, Maryland 21203

(c) Builder: PACCAR, Inc
P.O. Box 1518
Bellevue, Washington 98009

(5) Assignment of Purchase Agreement

(a) Assignor: BraeLease Corporation
Three Embarcadero Center
San Francisco, CA 94111

(b) Purchaser-
Assignee: First Maryland Leasecorp
P.O. Box 1596
25 South Charles Street
Baltimore, Maryland 21203

(c) Builder: Fruit Growers Express Company
1101 Vermont Avenue
Washington, D. C. 20005

BRAE Corporation, the corporation which originally executed both the ADN Lease and the ONW Lease, was merged into its wholly-owned subsidiary, BraeLease Corporation, on September 27, 1978. Pursuant to such merger, BraeLease Corporation assumed all of the rights and obligations of BRAE Corporation. Accordingly, BraeLease Corporation, as the

*Re No 9839
ONW 5001-5050*

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successor to BRAE Corporation, is now party to both the ADN Lease and the ONW Lease. */

The ADN Lease relates to additional railroad equipment not described on Schedule I hereto. BraeLease Corporation has assigned its interest in the ADN Lease, as it relates to such additional equipment, to Manufacturers Hanover Leasing Corporation, pursuant to a Loan and Security Agreement which was filed and recorded under Recordation Nos. 9753, 9753A and 9753D. The ADN Lease, as it relates to such additional equipment, has not been assigned to First Maryland Leasecorp. The ONW Lease also relates to additional railroad equipment not described on Schedule I hereto. The ONW Lease, as it relates to such additional equipment, has not been assigned to First Maryland Leasecorp.

Please file and record the enclosed documents and cross-index them under the names indicated below:

(1) Equipment Lease Agreement: the Lessor and the Lessee (both BraeLease Corporation and its predecessor, BRAE Corporation);

(2) ONW Lease: the Lessor-Assignor (both BraeLease Corporation and its predecessor, BRAE Corporation), the Assignee and the Lessee;

(3) ADN Lease: the Lessor-Assignor (both BraeLease Corporation and its predecessor, BRAE Corporation), the Assignee and the Lessee;

(4) Assignment of Purchase Agreement: the Assignor (both BraeLease Corporation and its predecessor, BRAE Corporation), the Purchaser-Assignee and the Builder; and

(5) Assignment of Purchase Agreement: the Assignor (both BraeLease Corporation and its predecessor, BRAE Corporation), the Purchaser-Assignee and the Builder.

Also enclosed is our check payable to the order of the Interstate Commerce Commission in the amount of \$210, the prescribed fee for filing and recording the enclosed documents.

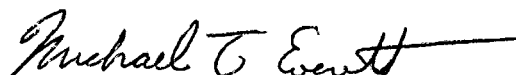
*/ As of October 30, 1978, BraeLease Corporation changed its name to Brae Corporation.

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Return to the person presenting this letter, together with your letter confirming such filing and recordation and your fee receipt therefor, all counterparts of the enclosed documents not required for filing.

Very truly yours,



Michael T. Everett
Assistant Secretary

Enclosures

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INTERSTATE COMMERCE COMMISSION

CONSENT TO ASSIGNMENT Dated as of October 1, 1978
by PACCAR Inc, Pacific Car and Foundry Division
(the "Builder").

WHEREAS, BraeLease Corporation, (the "Lessee") has entered into a contract evidenced by Lessee's mailgram dated February 13, 1978 and Builder's letter dated February 13, 1978 and telegrams dated February 23, 1978 and March 15, 1978 and a formal quotation dated April 5, 1978 (collectively, and as amended from time to time thereafter the "Purchase Agreement") with the Builder pursuant to which the Builder has agreed to manufacture, sell and deliver to the Lessee, among others, the units of railroad equipment described in Schedule A to the Assignment (as hereinafter defined), which consist of 50 class XM boxcars (the "Units");

WHEREAS, the Lessee is assigning to First Maryland Leasecorp (the "Lessor") all of the Lessee's rights under the Purchase Agreement, to the extent that they relate to the Units, pursuant to an Assignment of Purchase Agreement dated as of the date hereof (the "Assignment"); and

WHEREAS, the Lessee intends to lease the Units from the Lessor pursuant to an Equipment Lease Agreement dated as of the date hereof (the "Lease");

NOW THEREFORE, in consideration of the covenants contained in the Assignment, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Builder hereby agrees with the Lessee and the Lessor as follows:

1. The Builder hereby acknowledges receipt of a copy of the Assignment and consents to the assignment to the Lessor of the Lessee's rights under the Purchase Agreement relating to the Units, upon the terms and subject to the conditions contained in the Assignment.

2. The Builder hereby agrees to manufacture and deliver the Units to the Lessor in accordance with the Purchase Agreement.

3. The Builder hereby confirms to the Lessor that all representations, warranties, indemnities and agreements of the Builder in the Purchase Agreement relating to the Units shall inure to the benefit of, and shall be enforceable by, the

Lessor to the same extent as if it had been originally named in the Purchase Agreement as the purchaser.

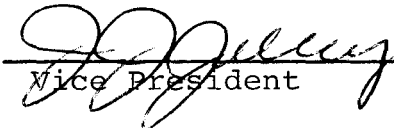
4. The Builder hereby agrees that it will not amend, modify or terminate any provision of the Purchase Agreement, as it relates to any Units which are not reassigned to the Lessee pursuant to § 7 of the Assignment, without the prior written consent of the Lessor.

5. The Builder hereby agrees that it will warrant to the Lessor that at the time of delivery of each Unit pursuant to the Purchase Agreement that the Builder has the legal title to such Unit, free of all claims, liens, charges, security interests and other encumbrances, except the rights of the Lessee under the Lease, and that it will defend the Lessor's title to such Unit against all claims by, through or under the Builder. The Builder hereby confirms to the Lessor that the Lessee is not in default under the Purchase Agreement.

IN WITNESS WHEREOF, the Builder has caused this Consent to Assignment to be executed by its duly authorized representative as of the date first above written.

PACCAR Inc

By


Vice President

[Corporate Seal]

Attest:


Assistant Secretary

STATE OF WASHINGTON

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ss:

COUNTY OF KING

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On this 27th day of October, 1978, before me personally appeared J. J. Jolley, to me personally known, who, being by me duly sworn, says that he is an authorized representative of PACCAR Inc that the foregoing instrument was signed on behalf of such corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Susan L. Johnson
Notary Public

[Notarial Seal]

My Commission expires: July 25, 1982